

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1622-01
Bill No.: HB 769 with SA's 1-6
Subject: Higher Education, Savings, Privacy
Type: Original
Date: May 15, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$700,000)	(\$721,000)	(Unknown)*
Total Estimated Net Effect on <u>All</u> State Funds	(\$700,000)	(\$721,000)	(Unknown)

* Expected to exceed (\$911,991)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	??	??	??

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Schools	\$0	\$0	(UNKNOWN)
Local Government	\$0	\$0	(UNKNOWN)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 9 pages.

FISCAL ANALYSIS

ASSUMPTION

Original proposal

In response to a prior version of this proposal, officials from the **Office of the State Treasurer** and the **Department of Higher Education** assume no fiscal impact to their organizations.

Amendment 1 - Mastering Math Program

In response to a prior version of this proposal, officials from the **Department of Elementary and Secondary Education (DESE)** assumed DESE would require a supervisor and senior secretary to adequately staff the program. Additionally, there would be some information technology (IT) costs associated with developing a web-based application process.

The grant amounts to be distributed by the program are not specified. For the program to be significant the amount to be appropriated for this purpose is assumed to be in excess of \$100,000; however an unknown cost is assumed by DESE.

DESE officials assume one FTE Supervisor (\$52,022 for FY 2004) and one FTE Senior Secretary (\$26,416 for FY 2004) would be needed to develop the application, evaluate applications, administer grants and answer questions.

The **Oversight Division** assumes the Supervisor could administer the grant program with existing secretarial staff. Therefore, Oversight has excluded the Senior Secretary from the fiscal impact section. Oversight has also excluded travel costs of \$4,500 annually, assuming the grant would be administered with minimal travel.

DESE IT section would be required to develop and maintain software. This is estimated to cost \$83,200 the first year. Additionally, OIT charges an 8% project management fee (\$6,656). Maintenance costs for subsequent years are estimated to be 15% of this amount in subsequent years. The **Oversight Division** assumes the grant software could be modeled after existing DESE grant programs and could be developed and maintained with existing DESE resources. Oversight has excluded the IT charges from the fiscal impact section.

DESE officials assume increased state money would go to school districts successfully applying for grants. The amount of local assistance would depend on the amount appropriated by the General Assembly for grants and awarded to applicants.

ASSUMPTION (continued)

Amendment 2 - Student Records in Public Elementary or Secondary Schools

In response to a similar proposal in the prior session, officials from the **Department of Social Services** and **Office of State Courts Administrator** assumed the proposal would result in no fiscal impact to the agencies.

In response to a similar proposal in the prior session, officials from the **Department of Elementary and Secondary Education (DESE)** assumed the proposal would result in no fiscal impact to DESE or local public school districts.

Amendment 3 - Confidentiality of State Employee Data

In response to a prior version of this proposal, officials of the following agencies assumed the proposal would have no fiscal impact: **Office of the Governor, Office of the Attorney General, Office of State Courts Administrator, Department of Conservation, Department of Economic Development, Coordinating Board for Higher Education, Department of Elementary and Secondary Education, Department of Transportation, Department of Mental Health, Department of Natural Resources, Department of Agriculture, Department of Health, Department of Labor and Industrial Relations, Department of Social Services, Department of Public Safety, House of Representatives, Department of Insurance, Gaming Commission, Office of Administration, Office of the Lieutenant Governor, Office of the State Auditor, State Tax Commission, Central Missouri State University, Missouri Southern State College, Missouri Western State College, Truman State University, Southeast Missouri State University, Southwest Missouri State University** and the **Office of Prosecution Services**. In response to similar or identical legislation in prior years, the following agencies have assumed they would not be fiscally impacted: **Department of Corrections, Lottery Commission, Office of the Secretary of State, Secretary of the Senate, and Office of the State Treasurer**.

Amendment 4 - University of Missouri-Rolla Programs

In response to a prior version of this proposal, officials from the **Coordinating Board For Higher Education (CBHE)** assumed there would be no fiscal impact on the CBHE. However, there would certainly be a fiscal impact on the University of Missouri as the Rolla campus would be responsible for developing and funding the MESA. There would also be a fiscal impact associated with the faculty developing and funding the in-service teachers program. While there would not be an impact on the CBHE, the costs to the University of Missouri - Rolla would likely be seen in future CBHE appropriation requests. CBHE officials assume there would be a potential impact on the Department of Elementary and Secondary Education.

ASSUMPTION (continued)

In response to a prior version of this proposal, officials from the **Department of Elementary and Secondary Education (DESE)** estimated the fiscal impact as follows:

DESE assumes that these programs would be structured similar to the Missouri Fine Arts Academy:

- 1) A 3-week academy of 220 student participants costs approximately \$320,000.
- 2) The professional development piece for in-service science teachers is estimated to cost approximately \$50,000.
- 3) It is assumed that the state would pay for all costs.

Total cost of this legislation is estimated to be about \$370,000, beginning FY 2001. The **Oversight Division** has reduced this cost by \$270,000, assuming the University cost for the academy is included in the DESE estimate.

In response to a prior version of this proposal, officials from the **University of Missouri** estimated the minimum costs to the university would be approximately \$380,000 per 100 public school teachers. This includes costs for University of Missouri Rolla faculty, public school teachers and general supplies. The **Oversight Division** has reduced this cost by \$50,000, assuming the cost for in-service science teachers was included in DESE's estimate. University officials estimated a total cost of \$270,000 for a three-week summer program for 200 students.

These amounts are increased by 3% per year to provide an inflation adjustment.

Amendment 5 - Abortion Reporting

Officials from the **Department of Health** assume the costs of this proposal to be minimal and can be absorbed from existing resources. If significant costs are incurred in the future as a result of this proposal, those costs will be addressed through the agency's normal budget procedures.

Amendment 6 - Certain School District Elections

In response to a similar proposal, officials from the **Department of Elementary and Secondary Education** and from the **Office of the Secretary of State** assume no significant fiscal impact from this proposal.

FISCAL IMPACT - State Government

FY 2002
 (10 Mo.)

FY 2003

FY 2004

GENERAL REVENUE FUND

Cost - Department of Elementary and
 Secondary Education (DESE) for
 Mastering Math Program

Personal Service (1 FTE)	\$0	\$0	(\$52,022)
Fringe Benefits	\$0	\$0	(\$17,339)
Grants	<u>\$0</u>	<u>\$0</u>	<u>(Unknown)*</u>
Total Costs for DESE	<u>\$0</u>	<u>\$0</u>	<u>(Unknown)**</u>

***Expected to exceed \$100,000 annually**

**** Expected to exceed \$169,361
 annually**

Cost - Department of Elementary and
 Secondary Education (DESE) for
 programs at University of Missouri -
 Rolla

Student Participants in MESA	(\$50,000)	(\$51,500)	(\$53,045)
In-Service Science Teachers	<u>(\$50,000)</u>	<u>(\$51,500)</u>	<u>(\$53,045)</u>
Total Costs for DESE	<u>(\$100,000)</u>	<u>(\$103,000)</u>	<u>(\$106,090)</u>

Cost - University of Missouri - Rolla
 (UMR)

MESA*	(\$270,000)	(\$278,100)	(\$286,443)
Science Summer Program	<u>(\$330,000)</u>	<u>(\$339,900)</u>	<u>(\$350,097)</u>
Total Cost - UMR	<u>(\$600,000)</u>	<u>(\$618,000)</u>	<u>(\$636,540)</u>

**ESTIMATED NET EFFECT ON
 GENERAL REVENUE FUND**

<u>(\$700,000)</u>	<u>(\$721,000)</u>	<u>(Unknown)**</u>
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* Subject to Appropriation

** Expected to exceed (\$911,991)

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
SCHOOL DISTRICTS			
<u>Income</u> - Grants from DESE	\$0	\$0	Unknown
<u>Costs</u>			
Matching Grants	\$0	\$0	(Unknown)
Mastering Math Program	<u>\$0</u>	<u>\$0</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</u>	<u>(UNKNOWN)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Original Proposal

This legislation would protect the privacy of participants in the Missouri higher education savings program by restricting personally identifiable information concerning participants and beneficiaries to internal administrative uses.

Amendment 1

This proposal would create the Mastering Math Program. Beginning July 1, 2003, DESE would provide four-year competitive matching grants to assist public school districts in math programs. Continued funding of grants after the second year would depend upon improvement in district student's math scores.

Upon conclusion of the grant and based on improvement in student performance on the math portion of the statewide assessment, DESE could reimburse the grantee for its local match.

DESCRIPTION - continued

Amendment 2 - Student Records in Public Elementary or Secondary Schools

This proposal requires school districts to restrict access to personally identifiable student records to authorized school district employees and persons otherwise authorized by state law or certain federal regulations. Such records can be made available to persons not employed by the district only upon written authorization from the parent or student over 18 years of age or in response to a subpoena. The bill does not apply to records relating to the reporting requirements imposed on juvenile officers (167.115 RSMo) or principals, teachers, and school employees (167.117 RSMo), or the reports required by a school district's disciplinary policy pursuant to 160.261 RSMo.

Amendment 3 - Confidentiality of State Employee Data

This proposal would make state employee home telephone numbers and addresses confidential information unless an employee would authorize release of the information. The proposal would provide exceptions for motor vehicle and drivers license information subject to 32.090 and 32.091, RSMo, and for federal law requirements.

Amendment 4 - University of Missouri-Rolla Programs

This proposal would establish a program that will be known as the Missouri Engineering and Science Academy for high school students with high ability and interest in math and science. The Academy curriculum will be developed by faculty of the University of Missouri - Rolla (UMR), and the program will be managed and funded through UMR.

The legislation also establishes a science summer program at UMR for in-service science teachers to enhance their understanding of the impact of natural resource development and land use changes in Missouri. The proposal specifies program goals. The program will be taught, managed and funded by UMR. Participation in the program can be included in a teacher's Career Ladder development plan, if approved by the school board.

Amendment 5 - Abortion Reporting

This proposal would require reporting of abortion procedures and post-abortion care performed by physicians in the state, by type of procedure and duration of pregnancy, and would require that information to be compiled annually by the Department of Health.

DESCRIPTION - continued

Amendment 6 - Certain School District Elections

This proposal would change the term length for directors of school districts which become urban districts as a result of the 2000 federal census.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration
Department of Agriculture
Office of the Attorney General
Office of the State Auditor
Central Missouri State University
Department of Conservation
Department of Corrections
Office of State Courts Administrator
Department of Economic Development
Department of Elementary and Secondary Education
Gaming Commission
Office of the Governor
Department of Health
House of Representatives
Coordinating Board for Higher Education
Department of Insurance
Department of Labor and Industrial Relations
Office of the Lieutenant Governor
Lottery Commission
Department of Mental Health
Missouri Southern State College
Missouri Western State College
Department of Natural Resources
Office of Prosecution Services
Department of Public Safety
Secretary of the Senate
Office of the Secretary of State
Department of Social Services
Southeast Missouri State University
Southwest Missouri State University
State Tax Commission
Office of the State Treasurer
Department of Transportation
Truman State University
University of Missouri



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Director
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